

CONFIDENTIAL*Updnd*

28 July 1988

MEMO TO: C/PROD

FROM: D/FBIS

SUBJECT: FY-89 Incremental Funding Increase

REFERENCE: Your Memo, dtd 27 Jul 88, Subj: FY-89 Forecast

1. While your note outlines the intended use of the additional funds, it lacks enough "meat" for me to be assured that we are going to end up with a net gain as a result of the redistribution of these funds.

2. For instance, both you and [] have told me that in reality the JPRS account needed [] in order to get back to a level, given a tight file, that would allow us to produce a solid product with well selected items in it. That is, return to a threshold that was acceptable, but not one that allowed the publication of questionable material. Since those discussions, we have been charged by the DDCI to lower our threshold on the Soviet material. I would therefore conclude that the "get well bill" would exceed your original estimate noted above. Instead, after removing from your shopping list the cost of doing business, I see that we are only restoring [] to the traditional JPRS account or its equivalent. I therefore do not think I can accept the conclusion reached in graf 2: i.e., "--is also in response to the DDCI's interest in deeper and broader coverage--." In my judgment, we are not even recovering to an acceptable threshold let alone doing the above.

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3. Furthermore, I will not accept a proposal to add funds to ad hocs when, in fact, we are currently spending more money on ad hocs than we are on a number of target countries. The only areas against which we are spending more are the USSR and S&T. I have to seriously question our sense of priorities and so would the DDCI.

4. I would certainly like to hear more detail/rationale before I concur in this or make any plans to provide the funding.

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[]
R. W. Manners

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